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Cathleen A. Massey

Vice President - External Affairs

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AT&T Wireless Services, Inc. Fourth Floor 1150 Connecticut Ave. NW Washington, DC 20036 202 223-9222 FAX 202 223-9095 PORTABLE 202 957-7451

William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. Mail Stop Code 1170 Washington, D.C. 20544

RE: Ex Parte Presentations

- 1) Interconnection between Local Exchange Carriers and Commercial Mobile Service Providers -- CC Docket No. 95-185;
- 2) Amendment of the Commission's Rules to Permit Flexible Offerings In CMRS -- WT Docket No. 96-6 and
- 3) Guidelines for Evaluating the Environmental Effects of Radiofrequency Radiation -- ET Docket 93-62

Dear Mr. Caton:

Pursuant to the requirements of Sections 1.1200 et seg. of the Commission's Rules, you are hereby notified that on behalf of AT&T Corp. and AT&T Wireless Services, Inc. ("AT&T Wireless), Gerry Salemme, Vice President of AT&T Corp., Wayne Perry, Vice Chairman of AT&T Wireless and I met today with Commissioner Rachelle Chong and her Legal Advisor, Suzanne Toller. The views expressed by AT&T Corp. and AT&T Wireless during the meeting are summarized in the attached materials.

Should there be any questions regarding this matter, please contact me.

Sincerely,

Commissioner Chong cc:

Suzanne Toller



CMRS-LEC Interconnection

- This rulemaking proceeding is a critical part of the Commission's mission to eliminate barriers to wireless competition to the local loop. As the Commission has noted, "changes in compensation arrangements are necessary if CMRS services "are to begin to compete directly against LEC wireline services."
- AT&T supports the Commission's tentative conclusion to adopt bill and keep as an interim mechanism to govern CMRS LEC interconnection. To recognize the mutual benefits inherent the LEC-CMRS interconnection model, the Commission should broaden the scope of its bill and keep proposal to apply to each carriers' entire termination service -- i.e., extend bill and keep to cover access, switching and transport between the end user and the tandem.
- Bill and keep is an appropriate interim compensation measure because the implicit charges for traffic termination between CMRS and LEC networks provide a reasonable proxy to the actual incremental costs:
 - -- While today more CMRS traffic may terminate on the LEC network then vice versa, it is also the case that it costs CMRS providers more to terminate traffic on CMRS networks then it costs LECs to terminate traffic of their networks. In these circumstances, bill and keep is a reasonable proxy on an interim basis for TSLRIC.
 - -- The Commission can expect that traffic flows will become essentially even after bill and keep is adopted, since bill and keep removes a significant barrier to co-equal status of CMRS providers and LECs.
 - -- In addition, bill and keep is appropriate because the likely real incremental costs incurred by LECs to terminate a CMRS originated call is <u>de minimis</u>.
- As a long-term arrangement, the Commission should require LECs to set interconnection rates for CMRS providers at total service, long-run incremental cost ("TSLRIC"). TSLRIC emulates that pricing that would occur if the local telephone market was competitive and it prevents LECs from engaging in a "price squeeze" by charging supra-competitive access rates.
- The FCC should exercise its plenary jurisdiction over interconnection and require LECs and CMRS providers to comply with specific federal regulations for both interstate and intrastate traffic because:
 - -- a uniform national policy on LEC-CMRS interconnection, including compensation, is essential to ensure the growth and development of wireless services;
 - -- Congress confirmed the FCC's plenary jurisdiction over CMRS-LEC interconnection when it enacted Section 332(c) in 1993;
 - -- Even apart for 332(c), the inseverable nature of interstate and intrastate wireless transmissions justifies preemption of intrastate interconnection rates; and
 - -- Nothing in the Telecommunications Act of 1996 disturbs the Commission's plenary authority over these matters.

CMRS Flexibility

- AT&T strongly supports the Commission's proposal to clarify that CMRS providers may offer primarily fixed services on their wireless spectrum. This action will:
 - -- allow wireless providers to make the most efficient use of their facilities
 - -- enhance the options available to customers
 - -- allow the development of competition in the local exchange marketplace.
- The Commission should not limit the types of fixed services that CMRS providers may provide since this could result in artificial regulatory distinctions that would not serve the public interest.
- Until and unless wireless networks incorporating fixed services have actually become a substitute for wireline local loop service, the Commission should continue to regulate all wireless services provided by CMRS licensees as CMRS.
- It is important for the Commission to quickly issue an order clarifying the ability of CMRS providers to provide primarily fixed services.

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RF Standard

- Pursuant to Section 704(a) of the 1996 Act, no State may regulate the placement, construction and modification of wireless service facilities on the basis of the environmental effects of RF emissions if the facilities comply with FCC regulations on such emissions. Pursuant to Section 704(b), the FCC is instructed to complete action in its open RF standards docket item (ET 93-62) by August 6, 1996.
- The Conference Report on this provision makes clear that Congress intended Section 704(a) to prevent State or local governments from basing their land use regulations and decisions "directly or indirectly" on CMRS RF emissions. Congress intended the FCC to be the sole regulator of CMRS RF emissions. This would preclude regulations designed to ensure compliance with Federal standards which are not otherwise required by the Federal rules such as periodic monitoring, fencing, signage, power limitations, etc.
- The FCC should move quickly to adopt ANSI/IEEE C95.1-1992 as the exclusive Federal RF standard.
 - the ANSI standard is widely accepted by experts in government (FDA, OSHA, DOD), academia and industry. The standard was produced by a 120 member committee from over 14 scientific disciplines through a consensus process open to public comment.
 - -- The FCC has already adopted the ANSI standard for PCS services. See 47 C.F.R. § 24.52. Many cellular carriers are voluntarily complying with the ANSI standard to ensure safe facilities.
 - -- The ANSI standard includes implementation guidance and provides for ongoing interpretation through a consensus process.
- The only other standard being discussed, the 1986 NCRP standard, does not reflect current scientific literature, was not the product of a broad-based consensus process, and contains no implementation guidance or ongoing interpretation program. The NCRP standard also includes a scientifically insupportable limit on low frequency modulation that could imperil emerging wireless digital technologies.